

## **Minutes Tempe Fire Public Safety Personnel Retirement System Board January 3, 2019**

Minutes of the Tempe Fire Public Safety Personnel Retirement System Board meeting, held on Thursday, January 3, 2019, 2:00 p.m., in Tempe City Hall, Third Floor Conference Room, 31 E. 5<sup>th</sup> Street, Tempe, Arizona.

**Board Members Present:**

Steven Methvin  
Bill Goodman (2:02 p.m.)  
Don Jongewaard  
Bill Munch  
Mike Scheidt

**Board Members Absent:**

None

**City Staff Present:**

Renie Broderick, Internal Services Director  
Wendy Messina, HR Analyst  
Susan Buck, Executive Assistant

**Legal Counsel Present:**

David Niederdeppe

*Chair Steven Methvin called the meeting to order at 2:00 p.m.*

**ITEM I – Consideration of Meeting Minutes:**

Motion by Don Jongewaard to approve the November 1, 2018 Board meeting minutes and the November 1, 2018 Joint meeting minutes; second by Bill Munch. Motion passed on a voice vote 4-0.

Ayes: Chair Methvin; Boardmembers Jongewaard, Munch and Scheidt

Nays: None

Absent: Bill Goodman

**ITEM II - Public Appearances:**

There were no public appearances.

**ITEM III - Motion to Adjourn to Executive Session, if necessary:**

No Executive Session was held.

**ITEM IV – New Member:**

Motion by Bill Munch to approve the new member application of **Luke Matthews**, with pre-existing condition as noted; second by Don Jongewaard; motion passed on a voice vote 4-0.

Ayes: Chair Methvin, Boardmembers Jongewaard, Munch and Scheidt

Nays: None

Absent: Bill Goodman

**ITEM V – Retirements:**

Motion by Don Jongewaard to approve the following retirement applications:

- **Michael D. McComb**, retiring from the Deferred Retirement Option Plan (DROP) Program, retirement date of January 3, 2019
- **Darryl J. Mobley**, retiring from DROP, retirement date of January 4, 2019
- **Scott E. Williams**, retiring from DROP, retirement date of January 27, 2019

Second by Bill Munch; motion passed on a voice vote 5-0.

Ayes: Chair Methvin; Boardmembers Jongewaard, Munch and Scheidt

Nays: None

Absent: Bill Goodman

Boardmember Bill Goodman joined the meeting at 2:02 p.m.

**ITEM VI – Update on Hall-Parker Lawsuit – Refunds of Excess Contributions:**

Local Board Secretary Renie Broderick noted this item pertains to the possible refund of excess contributions paid to members as a result of the Hall-Parker lawsuit, as discussed at the November 1, 2018 joint board meeting. Ms. Broderick stated that the City of Tempe has made a decision not to seek reimbursement of the overpayment from Tempe members. She further noted that although there were no Tempe Fire members impacted by this issue, staff wanted to make the Board aware of the City's decision (pertaining to Police members).

**ITEM VII – PSPRS News and Updates:**

Ms. Broderick stated that the annual actuarial valuations have been received from the State and shared with the Board in their meeting packet. Ms. Broderick noted for the record the following information for Tempe Fire (Fund 027):

- Tier 1 & Tier 2 Members: Employer contribution rate of 73.26% effective July 1, 2019; the overall pension funded status as of June 30, 2018 is at 45.0%;
- Tier 3 (hired on/after July 1, 2017): Employer contribution rates of 10.48% for Tier 3 benefits and 57.30% for Tier 1 and Tier 2 unfunded liability, with a total employer contribution of 67.78% as percentage of Tier 3 payroll.

Human Resources Analyst Wendy Messina also updated the Board regarding the State's decision to roll back the Tier 1b DROP provisions. Ms. Messina stated that in compliance with the State's decision, the City has stopped the contributions of members who were in the Tier 1b DROP effective with the first paycheck in January and she has notified all of the impacted members. Ms. Messina noted that the State will calculate what the members are owed for previous contributions and will notify the City of the amounts so that the City can process the reimbursements (with interest). The Board generally discussed the Tier 1b DROP provisions, the reimbursement process and the impact on members' 401k contributions. Ms. Messina stated there are approximately nine (9) fire members impacted and noted that staff will keep the Board updated as more information becomes available.

**ITEM VIII - Future Meeting Date:**

The next meeting is February 7, 2019.

**ITEM IX – Future Agenda Items:**

Chair Methvin noted that the Annual Review of Members Receiving Disability Benefits will be on a future agenda. Boardmember Bill Munch also informed the Board that he requested to be replaced as the Merit System Board Chair, although he will continue to sit on the Merit System Board as a regular board member. Mr. Munch indicated that he will be available to continue on the Fire PSPRS Board until the new Merit System Board Chair is appointed to replace him, most likely in February or March.

### **Adjournment**

Motion to adjourn by Bill Munch; second by Don Jongewaard. Motion passed 5-0 on a voice vote.

Ayes: Chair Methvin; Boardmembers Goodman, Jongewaard, Munch and Scheidt

Nays: None

Absent: None

The meeting adjourned at 2:11 p.m.



Renie Broderick  
Local Board Secretary